



SPOT Terminal Services LLC
Sea Port Oil Terminal and MACT Y Applicability

The U.S. Environmental Protection Agency's ("EPA's") *National Emission Standards for Marine Tank Vessel Loading Operations*, 40 C.F. R. Part 63, Subpart Y ("MACT Y"), apply to existing and new sources. 40 C.F.R. § 63.560. MACT Y applies to "sources," including "offshore loading terminals." MACT Y defines source and offshore loading terminal as follows:

Source(s) means any location where at least one dock or loading berth is bulk loading onto marine tank vessels, except offshore drilling platforms and lightering operations.

Offshore loading terminal means a location that has at least one loading berth that is 0.81km (0.5 miles) or more from the shore that is used for mooring a marine tank vessel and loading liquids from shore.

40 C.F.R. § 63.561. Thus, a location more than 0.5 miles offshore where there is bulk loading onto marine tank vessels is an offshore loading terminal if it has a "loading berth," which MACT Y defines as follows:

Loading berth means the loading arms, pumps, meters, shutoff valves, relief valves, and other piping and valves necessary to fill marine tank vessels. The loading berth includes those items necessary for an offshore loading terminal.

40 C.F.R. § 63.561. The SPOT project will load crude oil onto marine vessels, including very large crude carriers ("VLCCs"),¹ at a location more than one-half mile from shore, using a single point mooring ("SPM") loading system connected to crude oil loading and vapor recovery pipelines. The SPOT project will contain "those items necessary for an offshore loading terminal," including the items specified in the MACT Y definition of loading berth:

Item specified in definition of loading berth in 40 C.F.R. § 63.561	Presence and location on SPOT project
Loading arms	Offshore loading lines that extend from the SPM buoys to the marine tank vessels.
Pumps	Pumps at the onshore Oyster Creek terminal provide pressure necessary for loading. ²
Meters	Custody transfer meters are located on the SPOT offshore platform to measure crude oil ³ that is delivered to the marine tank

¹ The same types of vessels are currently loaded at shoreside terminals subject to MACT Y, such as the Seaway Texas City crude oil terminal that is operated by one of SPOT's corporate affiliates.

² Pumps would typically be located onshore for any such offshore activity, to be co-located with the associated storage facility. For the SPOT project, the storage facility will be at the onshore Oyster Creek terminal.

³ Metering equipment on the platform also enhances the SPOT project's leak detection systems.

	vessels through the pipeline end manifolds (“PLEMs”), SPM buoys, and loading lines.
Shutoff valves	Automatic shutoff valves are located on the platform; additional manually actuated isolation valves are located at the PLEMs under the SPM buoys.
Relief valves	High Integrity Pressure Protection System (“HIPPS”) located on the platform is the functional equivalent of a relief valve system. This system protects the loading lines from excess pressure.
Other piping and valves necessary to fill marine tank vessels	Additional piping and valves are located throughout the SPOT project, including at or near the SPM buoys, PLEMs, loading lines, and platform. ⁴

Because the SPOT project “includes those items necessary for an offshore loading terminal,” including the items specifically mentioned in the MACT Y definition of a loading berth (or their functional equivalent), it will be an affected source under MACT Y.

⁴ As a practical matter, piping and valves would always be necessary to accomplish a marine loading activity. For example, valves close to the loading point are necessary to hold material in the lines during idle periods between loading events.